



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

June 11, 2012

Donald G. Foot, Jr.  
Amnor Energy, Inc.  
575 West 2600 South  
Bountiful, Utah 84010

Subject: Reclamation Surety Required, Amnor Energy Inc., Coyote Knolls Mine, S/023/0086, Juab, County, Utah

Dear Mr. Foot:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on April 17, 2012, is complete **with the exception of the reclamation bonding requirement and information about the registered agent.** The required reclamation surety for a three-year escalation is \$54,100.00 or \$55,200.00 for a five-year escalation. This was determined based on information in the following table:

Project Size (Acres)	Surety 3 & 5 year escalation 2012	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,100 (5-year escalation)	Minimum amount required
Additional acres up to 10 total acres	\$4,800/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 10 acres	(i.e. Maximum of 10 acres = \$7,900 +\$43,200 = <b>\$51,100 (3-year escalation)</b> (i.e. Maximum of 10 acres = \$8,100+\$44,100 = <b>\$52,200 (5-year escalation)</b> )	\$1,100 difference between 3 and 5 year escalation amount for 10-acres of disturbance.
Over 5 acres	Additional \$3,000 mob/demob can be included for a second piece of equipment if the Division believes that two different types of equipment would be needed.	Example - a dozer would be needed for grading and a trackhoe would be needed for highwall reclamation.
Total 3 year		\$54,100.00
Total 5 year		\$55,200.00

Page 2 of 2  
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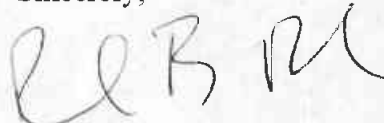
Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

Please submit a new first page of the NOI listing the registered agent as identified with the Utah Department of Commerce in Section I item 3.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 or by e-mail at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov) for assistance in completing this requirement.

Please contact me at 801-538-5261 or Wayne Western at 801-538-5263 if you have any questions regarding this letter. In reply please refer to file number S/023/0086.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB' followed by a stylized flourish.

Paul B. Baker  
Minerals Program Manager

PBB:whw:pb  
cc: JMansfie@blm.gov  
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